

FINANCE (1900-10) ACT, 1910 (ADDITIONAL TAXATION)
(IRELAND).

RETURN to an Order of the Honourable The House of Commons,
dated 28 April 1910;—for,

COPY "of ESTIMATED IRISH CONTRIBUTION to the TRUE REVENUE of the year 1900-10
in respect of NEW and ADDITIONAL TAXATION imposed by the FINANCE (1900-10)
Act, 1910."

Treasury Chambers, }
28 April 1910. }

C. HOBHOUSE.

(Mr. Chancellor of the Exchequer.)



Ordered, by The House of Commons, to be Printed,
28 April 1910.

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FINANCE (1909-10) ACT, 1910 (ADDITIONAL TAXATION) (IRELAND).

COPY of ESTIMATED IRISH CONTRIBUTION to the TRUE REVENUE of the year 1909-10
in respect of NEW and ADDITIONAL TAXATION imposed by the FINANCE (1909-10)
Act, 1910.

A.—ESTIMATED IRISH CONTRIBUTION TO TRUE REVENUE OF THE YEAR 1909-10 IN RESPECT OF NEW AND ADDITIONAL TAXATION IMPOSED BY THE FINANCE (1909-10) ACT, 1910.

I.—Increased Revenue from already existing Duties consequent upon Additions to the Rates of Duty made by the Act.

Duty.	Total additional Revenue (partly estimated) from the increase of Rate (United Kingdom).	Irish Proportion.
	£	£
Spirits - - - - -	Nil	Nil (a)
Tobacco - - - - -	1,500,000	180,000 (b)
Liquor Licences - - - - -	2,100,000	60,000 (c)
Motor car licences (see Table II.) - - - - -	—	—
Estate duty - - - - -	2,350,000	52,000 (d)
Stamps - - - - -	Nil	Nil (e)
Income tax (exclusive of super-tax) - - - - -	2,650,000	88,000 (f)
	9,500,000	380,000

II.—Proceeds of New Duties imposed by the Act.

Duty.	Proceeds for United Kingdom (partly estimated).	Irish Proportion.
	£	£
Motor spirit - - - - -	331,000	10,000 (g)
Motor car licences* - - - - -	280,000	12,000 (h)
Super tax - - - - -	500,000	12,000 (i)
Land value duties - - - - -	490,000	24,000 (j)
	1,571,000	58,000
Total - - - - -	11,071,000	438,000

- (a) The actual yield of the spirit duties in 1909-10 (after allowing for excise wine collected on 31st March 1910) was 15,180,000, as compared with an estimated yield on the old basis of taxation of 19,486,000, or 1,267,000, less. The increased duties have thus proved actually less productive than the former rates.
- (b) Calculated on the basis adopted in the annual Financial Relations Returns (cf. H.C. 208 of 1909).
- (c) On the basis of inquiries made by the Commissioners of Customs and Excise as to the comparative number and annual value of licensed premises in Ireland and Great Britain.
- (d) Estimated on the basis of the average number and value of estates in Ireland actually passing on death, regard being had to the fact that the increased rates fall mainly on the larger estates.
- (e) The additional duties become chargeable only in respect of transactions taking place since the Finance Act became law. No revenue will therefore be derived from these duties in respect of 1908-10.
- (f) It is assumed that the Irish contribution to the net revenue to be derived from the additional 2d. in the pound after taking into account the new allowances will be proportional to the Irish contribution to income tax generally in the preceding year.
- (g) Based on the estimated consumption of motor spirit in Ireland.
- (h) On the basis of the estimated number and power of motor cars actually in use in Ireland.
- (i) Based on the last available figures of the assessments of income tax over 5,000l., but the estimate is necessarily conjectured.
- (j) It is impossible to frame anything but a conjectural estimate under this head. In view, however, of the very small quantities of minerals worked in Ireland, and of the fact that the increased value, severance, and undeveloped land duties will be operative only in restricted areas, the proportion of the total yield of the duties to be derived from Ireland will probably be very much less than one twenty-first of the yield in the United Kingdom (the amount taken for the purposes of this Return).
- * As regards the United Kingdom this is an increase of an already existing duty.

B.—ESTIMATED ANNUAL IRISH CONTRIBUTION TO THE REVENUE TO BE DERIVED FROM THE NEW AND ADDITIONAL TAXATION IMPOSED BY THE FINANCE (1909-10) ACT, 1910, WHEN THE DUTIES HAVE BECOME FULLY PRODUCTIVE.

I.—Increased Revenue from already existing Duties consequent upon Additions to the Rates of Duty made by the Act.

Duty.	Estimated ultimate Annual Yield (United Kingdom).	Irish Proportion.
	£	£
Spirits - - - - -	—	—
Tobacco - - - - -	2,250,000	213,000
Liquor licences - - - - -	—	—
Motor car licences (see Table II.) - - - - -	—	—
Estate duty - - - - -	7,805,000	183,000
Stamps - - - - -	1,290,000	48,000
Income tax (exclusive of super-tax) - - - - -	2,720,000	124,000
	14,565,000	518,000

II.—Proceeds of New Duties imposed by the Act.

Duty.	Estimated ultimate Annual Yield (United Kingdom).	Irish Proportion.
	£	£
Motor spirit - - - - -	† 375,000	† 12,000
Motor car licences‡ - - - - -	† 250,000	† 18,000
Super-tax - - - - -	2,300,000	60,000
Land value duties - - - - -	†	†
	3,135,000	84,000
Total (exclusive of spirits, liquor licences, and land value duties) - - - - -	17,700,000	602,000

* No reliable estimate can be given until further experience of the working of the new duties is available.

† These estimates are based on the yield for 1909-10 with allowance (where necessary) for the fact that the new value will be in force for the whole of the year, but no allowance has been made for the probable growth in the number of cars.

‡ Estimates cannot be given until some progress has been made with the work of valuation.

§ As regards the United Kingdom this is an increase of an already existing duty.

C.—ESTIMATED IRISH CONTRIBUTION TO ADDITIONAL REVENUE FROM NEW TAXES COMPARED WITH IRISH CONTRIBUTION TO TOTAL TAX REVENUE PRIOR TO THE INTRODUCTION OF THE BUDGET OF 1909.

	Net Receipts from Taxes, 1904-5.	True Revenues from New and Additional Duties, 1909-10 (as in Table A).	Yield of New and Additional Duties in a full Year* (as in Table B).
	£	£	£
Total (United Kingdom) - - - - -	125,345,000	11,971,000	17,700,000
Irish contribution - - - - -	8,016,000	438,000	602,000
Percentage of Irish contribution - - -	6.4	3.9	3.4

* Exclusive of spirits, liquor licences, and land value duties.